

## Message Text

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47

ORIGIN COME-00

INFO OCT-01 EUR-12 IO-13 ISO-00 EB-07 XMB-02 STR-04 TRSE-00

FEA-01 AGR-05 CEA-01 CIAE-00 DODE-00 FRB-03 H-02

INR-07 INT-05 L-03 LAB-04 NSAE-00 NSC-05 PA-01 AID-05

CIEP-01 SS-15 ITC-01 USIA-06 PRS-01 SP-02 OMB-01

OIC-02 AF-08 ARA-06 EA-07 NEA-10 /141 R

DRAFTED BY COM/BIEPR/OTP/IND/RFRANCIS

APPROVED BY EB/OT/TA:DJ DUNFORD

COM/BIEPR/OTP/IND/HBRATT

EXIM/SMINIKES

STATE/EB/OT/RMEYER

STATE/EUR/RPE/PMC LEAN

STR/H LAWRENCE

TREAS/COUELLETTE

----- 097872

R 030209Z SEP 76

FM SECSTATE WASHDC

TO AMEMBASSY PARIS

INFO USMISSION GENEVA

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E.O. 11652: N/A

TAGS: ETRD, EFIN, GATT, FR

SUBJECT: EXPORT INFLATION INSURANCE

REF: (A) GENEVA 5660, JULY 1976 (B) PARIS 19774

-- (D) A-395 JULY 8, 1974 (D) A-199 APRIL 27, 1976

1. AS EMBASSY AWARE, GATT COUNCIL HAS APPROVED ESTABLISH-  
MENT OF A WORKING PARTY TO EXAMINE EXPORT INFLATION PROGRAMS

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MAINTAINED BY SEVERAL EUROPEAN NATIONS (REFTEL A).

2. WHILE EXTENSIVE INFORMATION IS AVAILABLE IN WASHINGTON ON FRENCH EXPORT INFLATION (ECONOMIC RISK) PROGRAM, WE NEED CLARIFICATION OF FOLLOWING POINTS IF POSSIBLE:

-- INFORMATION AVAILABLE REGARDING METHOD OF DETERMINING THRESHOLD PERCENT INDICATES IT BASED ON LEVEL IN CERTAIN INDUSTRIALIZED COUNTRIES WITH LOWER THAN AVERAGE INFLATION RATE. IS IT BASED ONLY ON FRG INFLATION LEVEL, OR ARE RATES OF OTHER NATIONS ALSO CONSIDERED?

-- REF (B) AND (C) INDICATE THAT DEFICITS INCURRED UNDER PROGRAM (AND FINANCED BY FRENCH TREASURY) IN MILLIONS OF FRANCS WERE: 1969 - 38.8, 1970 - 161.3, 1971 - 363.9, 1972 - 654.8. HOWEVER, IN REF (D) FINAL EXPENDITURES LISTED IN TABLE 2 FOR "GUARANTEES FOR INCREASED PRODUCTION COSTS AND UNFAVORABLE EXCHANGE RATES" ARE SUBSTANTIALLY LESS. CAN EMBASSY CLARIFY DIFFERENCE? ARE NET COST FIGURES FOR 1973-75 AVAILABLE?

-- CONFIRM WHETHER PROGRAM COVERS SERVICES RELATED TO CONTRACT BESIDES CAPITAL GOODS THEMSELVES?

3. THIS INFORMATION REQUIRED FOR USE IN WASHINGTON PREPARATION FOR WP AND WE WOULD APPRECIATE RECEIVING IT BY SEPTEMBER 10. KISSINGER

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NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** INFLATION, EXPORT INSURANCE, COMMITTEES, PROGRAMS (PROJECTS)  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 03 SEP 1976  
**Decaption Date:** 01 JAN 1960  
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**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
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**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
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**Disposition Remarks:**  
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**TAGS:** ETRD, EFIN, FR, GATT  
**To:** PARIS  
**Type:** TE  
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